

BARING ASSET MANAGEMENT, INC.
GLOBAL EQUITY: WILSHIRE 5000 BENCHMARK

FOR THE MONTH OF: **AUGUST** **2006**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Baring Equity	0.90%	1.60%	14.70%	14.20%	7.30%
Wilshire 5000	2.30%	2.40%	8.90%	12.10%	6.20%
MSCI ACWI	2.60%	3.40%	17.20%	17.80%	9.00%

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

Global equity markets rallied in August, and have now regained much of their losses from the correction in May-June. Strong earnings for the second quarter were the primary reason, rising 16% year-over-year in the US. Globally and in aggregate, earnings were ahead of expectations and margins remain at or near post WW2 highs. A slowdown in US house price inflation from over 15% year-over-year in late 2005 to around 1% today weakened housing related shares, but failed to spread to other sectors.

All geographic areas participated in the rise, with Europe ex UK leading. In spite of the ECB raising interest rates to 3.0% in early August, European rates remain low relative to other OECD countries, except Japan. They are still perceived to be accommodative. All sectors were positive, with information technology leading. Technology had been particularly weak year-to-date, so a bounce-back was to be expected, but we remain sceptical as to the sustainability of this leadership. Valuations remain rich relative to the market.

Amongst purchases, we bought Mediatek, the Taiwanese manufacturer of memory chipsets. We are attracted by consumers' increasing demand for memory-hungry electronic devices, and believe Mediatek is well positioned to benefit. Amongst sales, we sold US energy drilling contractor, Transocean Inc. Transocean has reaped the benefits of the rise in crude oil prices for several years, but we are now concerned that cost inflation will exceed commodity price inflation, resulting in lower profitability.

Your portfolio underperformed during August, owing to its underweight position in technology (which bounced) and its overweight position in energy (which lagged). US consumer discretionary stocks, Scientific Games (lottery systems) and J Crew (the clothing retailer) also negatively impacted performance.

ORGANIZATIONAL/PERSONNEL CHANGES

none

ACCOUNT TURNOVER

Gained:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
Lost:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
	Reason(s):	n/a			

MANAGER STYLE SUMMARY

Baring tends to be a "top-down" manager, focusing on country and sector allocations with individual stock selection as a secondary consideration. Until the second half of 2004, Barings was asked to customize their portfolio to maintain a large cap growth exposure. Since then, Barings has implemented their fully integrated approach, which should result in portfolio characteristics similar to that of the benchmark, although they may have a tendency toward mid-capitalization stocks. Barings is not a "closet indexer" and is willing to have no presence in a country/region if they feel prospects are poor - this implies more volatility in returns compared to other global managers. Barings will actively hedge foreign currency exposures.

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PORTFOLIO GUIDELINE COMPLIANCE

AUGUST

2006

Portfolio Guideline:	Index	Baring EQ	Calc	Min	Max	Compliance
A1. ETF Security position <= 5% of the account @ purchase						ok
B3. Security position <= 5% of the account @ purchase						ok
B4. Number of issues		85		85	120	ok
B5. Normal Regional Exposures:						
United States & Canada		32%		30%	80%	ok
United Kingdom		12%		0%	30%	ok
Europe ex U.K.		28%		5%	40%	ok
Japan		10%		0%	25%	ok
Pacific ex Japan (Developed Index)		5%		0%	20%	ok
Non-Index Countries (All Emerging)		10%		0%	15%	ok
Cash & Hedges		2%				
Total		100%				
B6. Normal Global Portfolio Characteristics (MSCI All Country World)						
Capitalization	63,654	51,267	81%	70%	130%	ok
Price/Book Value	2.5	2.8	111%	80%	140%	ok
Price/Earnings (Next 12 mo)	13.7	13.3	97%	90%	120%	ok
Price/Cash Flow	8.7	8.9	103%	80%	140%	ok
Dividend Yield	2.2	1.8	84%	60%	120%	ok
Return on Equity	15.5	16.3	105%	75%	150%	ok
Return on Equity (5-Yr Avg)	17.8	-28.0	-157%	75%	150%	check
C1. Currency or cross-currency position <= value of hedged securities						ok
No executed forward w/o a corresponding securities position.						ok
C2. Max forward w/ counterpart <= 30% of total mv of account						ok
F2. Brokerage commissions not to exceed \$0.05/share for U.S. equities						ok
F3. Annual turnover		79%			120%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

B6. ROE (5-Yr Avg): Attributed to two securities, Amylin and Invensys, as noted last month.